August 9, 2004

MEMORANDUM

To: Mr. Dalton B. Floyd, Jr., Chair and Members

Commission on Higher Education

From: Mr. Daniel Ravenel, Interim Chair and Members

Committee on Student Services and Access & Equity

<u>Palmetto Fellows Scholarship Program</u> Proposed Regulatory Amendments - 2005-06 Academic Year

The Commission on Higher Education proposes five amendments to the Palmetto Fellows Scholarship Regulation. The first amendment will allow students to rank within the top six percent of the class instead of the top five percent of the class to be eligible to apply for the scholarship. Second, the classes used for eligibility will be expanded from the sophomore and junior classes to also include the senior class. Third, students will be allowed more opportunities to meet the minimum 1200 SAT score requirement (or 27 on the ACT) by adding language to extend the deadline through the June national test administration. The fourth amendment proposes language that will allow students to use the new Writing subsection as additional way to meet the minimum 1200 SAT score requirement for initial scholarship eligibility. Finally, the fifth amendment proposes language that will allow for active duty service members of the United States Armed Forces to receive the maximum number of terms of scholarship eligibility due to military mobilization.

Under the current Palmetto Fellows Scholarship regulation, high school seniors must meet the following three criteria in order to be eligible to apply: 1) score at least 1200 on the SAT (or 27 on the ACT); 2) earn a cumulative 3.50 grade point ratio on the Uniform Grading Scale at the end of the junior year; and 3) rank in the top five percent of the class at the end of either the sophomore or the junior year. The typical application deadlines have been in mid-January and mid-May. However, during the 2004 legislative session, the General Assembly approved Proviso 5A.26 as part of the 2004 Fiscal Year Budget. Proviso 5A.26 allowed students who ranked in the top six percent of the class to be eligible for the scholarship. It also allowed for the senior year to be included in the eligibility criteria. In addition, the Proviso allowed the top two students from each high school to apply.

Top Six Percent & Senior Class (Amendments 1 and 2)

In order to meet the intent of the Proviso, two award cycles are proposed: 1) early awards in December; and 2) final awards in June. The following is a summary of the recommended changes in the initial eligibility for Palmetto Fellows Scholarship for the 2005 freshmen cohort included in the regulation:

<u>Applications for early awards</u> must be submitted to the Commission on Higher Education for the Palmetto Fellows Scholarship by the date established in <u>December</u> each academic year. Students must meet the following three academic criteria in order to be eligible to apply for the early awards (same criteria used previously except increased class rank from top five percent to top six percent):

- Score at least 1200 on the SAT or 27 on the ACT. Test scores must be submitted to the Commission on Higher Education by no later the established deadline in December;
- Earn a cumulative 3.50 GPR on the UGS at the end of the junior year; and
- Rank in the <u>top six percent</u> of the class at the end of either the sophomore or the junior year.

<u>Applications for final awards</u> must be submitted to the Commission on Higher Education for the Palmetto Fellows Scholarship by the date established in <u>June</u> each academic year. Students must meet the following three academic criteria in order to be eligible to apply for the final awards (new criteria that incorporates the changes outlined in Proviso 5A.26):

- Score at least 1200 on the SAT or 27 on the ACT. <u>Test scores will be accepted</u> through June of the senior year;
- Earn a cumulative 3.50 GPR on the UGS at the end of the senior year; and
- Rank in the top six percent of the class at the end of the senior year.

SAT Score (Amendments 3 and 4)

Currently, test scores must be certified by the high school on the Palmetto Fellows Scholarship application by no later than the scholarship deadline. The proposed language will allow for test scores to be accepted through the June national test administration of the senior year. Another proposed amendment relates to the implementation of the new Writing subsection of the SAT beginning Spring 2005. Currently, SAT scores may be the best combined scores from the Math and Verbal subsections. The proposed amendment will allow students to use the highest Math score combined with the highest Critical Reading score (formerly known as the verbal score) or the highest Math score combined with the highest Writing score.

Military Mobilization (Amendment 5)

Due to the events that occurred on September 11, 2001, service members of the United States Armed Forces are being called to active duty and are required to withdraw from college due to deployment. The Commission on Higher Education does not want to penalize these students for events that are beyond their control. The term(s) the service member is called to active duty will not count against the eight terms of maximum eligibility. The institution must provide the student with a refund based on the institution's policies and procedures, but are strongly encouraged to provide a full refund or credit in a comparable amount. Thus, the inclusion of Section 62-351 ("Military Mobilization") in the proposed regulation will allow each institution the authority to reinstate the scholarship upon the service member's re-enrollment.

Additional Clarifications

Additionally, the following clarifications are also being proposed for consideration:

- 62-310(E) The definition for "high school" was added to be consistent with the LIFE and SC HOPE Scholarship Programs. This definition clarifies what programs are eligible to participate in the program.
- 62-310(F) The definition for "home institution" was added to define which institution service members are eligible to receive scholarship funds.
- 62-310(K) The definition for "remedial/developmental coursework" was added to be consistent with the LIFE and SC HOPE Scholarship Programs. Scholarship funds cannot be applied to these courses.
- 62-315(C) Language was added to provide specific instructions for verification of the GPR and rank based on the Uniform Grading Scale for home school and out-of-state students to determine scholarship eligibility.
- 62-320(A) Language was added to ensure that the top two students are eligible from each high school regardless whether they rank in the top six percent of the class. Students must meet all other eligibility criteria.
- 62-360(A) Language was added to be consistent with the LIFE and SC HOPE Scholarship Programs. Scholarship funds cannot be disbursed during the summer except during certain circumstances as specified under this section.

Recommendation

The Committee on Student Services and Access & Equity recommends that the Commission on Higher Education approve the proposed amendments to the regulation for the Palmetto Fellows Scholarship Program. If approved by the Commission on Higher Education, the amended regulation will be submitted to the General Assembly for approval under the Administrative Procedures Act.

Palmetto Fellows Scholarship – Proviso 5A.26

5A.26. (CHE: Palmetto Fellows Eligibility) When calculating eligibility for Palmetto Fellows Scholarships, students that rank in the top six percent of the graduating class at the end of their sophomore year, junior year, or at the end of the first semester of their senior year shall be considered for the scholarship. When calculating eligibility for Palmetto Fellows Scholarships in schools where the top six percent of the graduating class is two students or less, the top two students shall be considered for the scholarship regardless of class rank. The top six percent of the graduating class must meet all Palmetto Fellows Scholarship eligibility requirements in order to receive a scholarship.